



# NEVADA

2 LOCAL WORKFORCE AREAS



## ANNUAL IMPACT OF PROPOSED MINIMUM TRAINING EXPENDITURE IN ASWA

↓**368** fewer businesses served by American Job Centers (AJCs)

↓**1,058** fewer unique services provided to businesses by AJCs

↓**1,452** fewer job seekers provided basic career services by AJCs

↓**803** fewer jobseekers enrolled in WIOA Title I ADW programs for intensive career services at AJCs

↓**13** fewer AJC locations for businesses and jobseekers to access services

↓**44** fewer AJC staff to assist businesses and jobseekers

### KEY POINTS

In a time where most employers need ready workers, the proposed 50% training expenditure mandate does not adequately address the need to provide the wrap-around supportive services necessary to ensure the success of all jobseekers. If implemented as proposed, **the new mandate will result in AJCs serving fewer businesses and fewer jobseekers**, negatively impacting economic development.

Jobseekers at AJCs include individuals who need wrap-around supportive services to be able to attend training. Some individuals don't need training, but instead need removal of other barriers to employment, like transportation, childcare, tools, uniforms, career coaching, mentorship, etc. These services are crucial to ensuring a participant can complete training and be successful in their new employment. **Jobseekers won't receive the services they need to be work ready.**

### REQUEST

Remove the proposed new mandate for 50% minimum expenditure on training, so the system can adequately meet the needs of businesses and jobseekers. If a lower minimum expenditure on training is left in, let it include all costs that are needed for training, including wrap-around supportive services and staff assistance.

Now more than ever, businesses need ready workers. The reduction of jobseekers receiving WIOA Title I program intensive career services and basic career services, will disproportionately affect vulnerable groups with multiple barriers to employment. **Those jobseekers no longer served by AJCs will remain dependent on unemployment, welfare, subsidized housing, etc.**

The proposed minimum training requirement for the WIOA Title I program does not include other necessary costs related to training jobseekers, like wrap-around supportive services and staff assistance. Not providing jobseekers with the services they actually need to be work ready, means **businesses will experience a significant reduction in the number of ready workers at AJCs.**

## IMPACT OF PROPOSED 10% INCREASE OF STATE SET-ASIDES IN ASWA

- Further reduces WIOA Title I ADW and Youth resources at the AJCs in the local areas
- In Program Year 2023 it would have been \$4.1M less funding to Nevada's local areas
- Less resources to serve local employers through regional Industry Sector Partnerships

### KEY POINTS

The proposed Critical Industry Skills Fund will increase the state set-aside from the existing 15% Governor's Reserve to 25% across WIOA Title I ADW and Youth funding streams. This new 25% would be in addition to the 25% allowed state set-aside from the Dislocated Worker funds for Rapid Response state activities.

**Fewer resources in the local AJCs means fewer businesses and jobseekers are served.**

The proposed change allows the existing 15% Governor's Reserve funds to be used as the federal match requirement for the creation of the Critical Industry Skills fund. **This will further erode the ability to leverage additional state funding to serve employers and jobseekers at local AJCs.** National data shows that successful Industry Sector Partnerships (ISPs) are built at the regional level. Nevada already has highly successful regional ISPs with robust employer engagement. Over more than a decade, multiple attempts failed to form state-level industry sector councils in Nevada. **The existing regional ISPs, already supporting hundreds of local employers is where the critical industry skills are being addressed.**

### REQUEST

Remove the proposed new 10% increase of state set-aside. If the desire is to dedicate funds to address critical industry skills, award the 10% to the local areas to fund regional Industry Sector Partnership activities.

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## IMPACT OF PROPOSED REDESIGNATION PROCESS FOR LOCAL AREAS IN ASWA

- Circumvents the voice of businesses, job seekers and local elected officials
- Potential to create single-statewide areas instead of local regions
- Disregards local autonomy, flexibility and innovation to best meet community needs

### KEY POINT

The proposed local area redesignation process would commence mid-way through the legislation's authorization period. Despite the two alternative "fallback" options, the geography of local areas could be adversely affected, even if a majority of local workforce development boards (LWDBs) voted against the proposal. Local business engagement is critical to workforce development investments. **The proposed redesignation process would drown out the voice and needs of local businesses and jobseekers.**

### REQUEST

Remove the proposed new redesignation process for local areas. A third "fallback" option must be included if any redesignation provision is to be maintained. If a Governor's proposed redesignation process, lacks a vote of support from the majority of LWDBs, the local elected officials should have the ability to maintain the existing local area structure in the state.